

25th meeting of the Adaptation Committee



United Nations
Climate Change
**Adaptation
Committee**

Agenda item 5bii

Dialogue on addressing developing countries' capacity gaps in accessing adaptation funding (Part II)

Follow-up action

12-15 March 2024, Bonn

Mariam Allam, AC member

I. Introduction and background

- ❖ At AC23, it was decided to establish a continuous workstream on addressing gaps and needs in the formulation and implementation of NAPs in collaboration with the other adaptation-related constituted bodies and other partners and providers of support.
- ❖ AC decided to use its dialogue with adaptation-related constituted bodies to discuss the progress made in addressing developing countries' capacity gaps in accessing adaptation funding and on possible ways to enhance progress and to organize it in two parts:
 - Part I with constituted bodies (10 July 2023), followed by a detailed mapping of relevant work which formed the basis for deciding on the focus theme for part II
 - Part II with Parties and external stakeholders on 6 March 2024 (virtual)

II. Second part of the dialogue

- **Focus theme:** addressing developing countries' capacity gaps in translating adaptation priorities and plans into finance and investment strategies, plans and projects.
- 120 online participants, additional 14 participants following the live broadcast.
- AC presentation (Co-Chair Mariam Allam), followed by panel discussion, with experiences from Fiji, African Development Bank, GCF, GIZ and OECD.
- Event welcomed as a much-needed space for discussion and experience sharing.

III. Key points from the discussion

- ❖ Current adaptation finance gap requires developing or enhancing developing countries' capacities to access all available finance sources - international and domestic, public and private;
- ❖ As each source requires different enabling environments to flow, most required capacity is to make the value of resilience visible within decision-making;
- ❖ Requires ability to interpret and apply adaptation-relevant data, to facilitate the collaboration among line ministries and other important stakeholders – supported by high-level political commitment – and different institutional responsibilities;
- ❖ National adaptation finance and investment strategies can greatly enhance country ownership and form strong basis for engaging with and leveraging many different investment partners;
- ❖ Opportunities for dialogue and experience sharing can serve as key enabler;
- ❖ Two frameworks under development with great potential to help countries in establishing an environment that can enable the different sorts of adaptation finance to flow (OECD and GCF/NDC partnership) – links to the new GCF readiness strategy;
- ❖ AC and other CBs to build on the findings when planning upcoming activities and events, particularly in view of informing COP29 (the "Finance COP")

IV. Next steps

The AC may wish to consider the outcomes of the dialogue and agree on next steps as needed, e.g.

- Using the report and the findings of the dialogue as an input to the PCCB's call for submissions on its 2024 focus theme;
- Building on the findings of the event through dedicated follow-up activities;
- Sharing the findings of the event at relevant other upcoming activities and events;
- Taking the findings of the event into account when providing input to the SCCF's 2024 draft guidance to the operating entities of the Financial Mechanism;
- Facilitating similar thematic dialogues given the considerable interest that the dialogue evoked.